

BALANCE SHEETS

As of March 31, 2007

Thousands of yen

	2006
(ASSETS)	
Current Assets	
1 Cash and Bank deposits	3,700,606
2 Notes receivable-trade	2,436,083
3 Accounts receivable-trade	15,678,556
4 Inventories	1,951,436
5 Advance payment	4,851,656
6 Accounts receivable-non-trade	792,809
7 Deposits receivable	3,046,150
8 Deferred tax assets-current	306,815
9 Other current assets	155,051
10 Allowance for doubtful receivables	50,000
Total current assets	32,869,165
Fixed Assets	
1 Tangible fixed assets	
(1) Buildings	37,468
(2) Machinery and equipment	82,032
(3) Autos and trucks	3,731
(4) Furniture and fixtures	30,058
Total tangible fixed assets	153,290
2 Intangible fixed assets	
(1) Software	8,159
(2) Other intangible fixed assets	716
Total intangible fixed assets	8,876
3 Investments and other fixed assets	
(1) Investment securities	243,631
(2) Deposits	242,867
(3) Deferred tax assets-non-current	25,988
(4) Others	183,595
(5) Allowance for doubtful receivables	112,564
Total investment and other fixed assets	583,519
Total fixed assets	745,686
Total Assets	33,614,851

Sojitz Machinery Corporation

	2006
(LIABILITIES)	
Current Liabilities	
1 Notes payable-trade	5,105,019
2 Accounts payable-trade	16,477,109
3 Short-term loans payable	2,425,000
4 Accounts payable-non-trade	172,308
5 Income taxes payable	1,494
6 Advance received	5,809,542
7 Other current liabilities	307,702
Fixed Liabilities	
1 Long-term deposit	93,000
2 Other fixed liabilities	24,000
Total liabilities	30,415,176
(SHAREHOLDERS' EQUITY)	
Common Stock	1,500,000
Capital surplus	833,000
Retained Earnings	830,937
1 Legal reserve	81,601
2 General reserve	24,000
3 Unappropriated earned surplus/loss	725,336
Securities Gain/Loss	35,736
Total Shareholders' equity	3,199,674
Total Liabilities and shareholders' equity	33,614,851

STATEMENTS OF INCOME

For the year ended March 31,2007

Thousands of yen

	2006
Net sales	81,202,401
Cost of sales	75,225,029
Gross trading profit	5,977,371
Selling,general and administrative expenses	4,206,297
Operating income	1,771,074
Non-operating income	
Interest income	109,142
Receipt dividends	23,584
Other income	45,026
	177,752
Non-operating expenses	
Interest expense	91,192
Foreign exchange loss	7,701
Other expenses	1,998
	100,891
Recurring profit	1,847,935
Extraordinary income	
Extraordinary profits-other	362,808
Extraordinary loss	
Extraordinary losses-other	47,786
Income before income taxes	2,162,956
Income taxes current	321,527
Income taxes deferred	1,260,986
Net Income/Loss	1,223,497